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Official Public Records

Mary Louise Garcia

Mary Louise Garcia

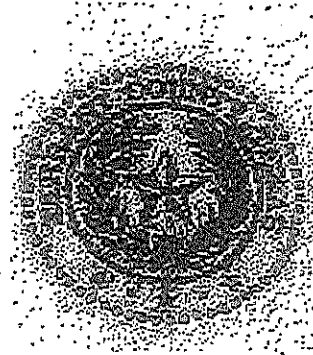
Tarrant County Texas

1/21/2011 8:54 AM

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PGS 6 \$36.00

Submitter: ACS



DALE PROPERTY SERVICES, LLC
ATTN: RECORDING TEAM
500 TAYLOR ST. STE 600
FORT WORTH, TEXAS 76102

Submitter: DALE PROPERTY SERVICES, LLC

SUZANNE HENDERSON
TARRANT COUNTY CLERK
TARRANT COUNTY COURTHOUSE
100 WEST WEATHERFORD
FORT WORTH, TX 76196-0401

DO NOT DESTROY

WARNING – THIS IS PART OF THE OFFICIAL RECORD

ELECTRONICALLY RECORDED
BY ERXCHANGE

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

Producers 88 (4-89) — Paid Up
With 640 Acres Pooling Provision
STANDARD LEASE

**PAID UP OIL AND GAS LEASE
(No Surface Use)**

Electronically Recorded
Chesapeake Operating, Inc.

THIS LEASE AGREEMENT is made this 21st day of December, 2010, by and between Boys and Girls Club of Greater Fort Worth, Inc., a Texas non-profit corporation whose address is 3218 East Belknap, Fort Worth, Texas 76111, as Lessor, and CHESAPEAKE EXPLORATION, L.L.C., an Oklahoma limited liability company, whose address is P.O. Box 18496, Oklahoma City, Oklahoma 73154-0496, as Lessee. All printed portions of this lease were prepared by the party hereinabove named as Lessee, but all other provisions (including the completion of blank spaces) were prepared jointly by Lessor and Lessee.

1. In consideration of a cash bonus in hand paid and the covenants herein contained, Lessor hereby grants, leases and lets exclusively to Lessee the following described land, hereinafter called leased premises:

.563 acres of land, more or less, being Lot 1, Block 1, of the Harold Plemons Addition, an addition to the City of Fort Worth, Tarrant County, Texas, according to that certain plat recorded in Volume 388-189, Page 28, of the Plat Records of Tarrant County, Texas.

in the county of TARRANT, State of TEXAS, containing .563 gross acres, more or less (including any interests therein which Lessor may hereafter acquire by reversion, prescription or otherwise), for the purpose of exploring for, developing, producing and marketing oil and gas, along with all hydrocarbon and non hydrocarbon substances produced in association therewith (including geophysical/seismic operations). The term "gas" as used herein includes helium, carbon dioxide and other commercial gases, as well as hydrocarbon gases. In addition to the above-described leased premises, this lease also covers accretions and any small strips or parcels of land now or hereafter owned by Lessor which are contiguous or adjacent to the above-described leased premises, and, in consideration of the aforementioned cash bonus, Lessor agrees to execute at Lessee's request any additional or supplemental instruments for a more complete or accurate description of the land so covered. For the purpose of determining the amount of any shut-in royalties hereunder, the number of gross acres above specified shall be deemed correct, whether actually more or less.

2. This lease, which is a "paid-up" lease requiring no rentals, shall be in force for a primary term of three (3) years from the date hereof, and for as long thereafter as oil or gas or other substances covered hereby are produced in paying quantities from the leased premises or from lands pooled therewith or this lease is otherwise maintained in effect pursuant to the provisions hereof.

3. Royalties on oil, gas and other substances produced and saved hereunder shall be paid by Lessee to Lessor as follows: (a) For oil and other liquid hydrocarbons separated at Lessee's separator facilities, the royalty shall be twenty-five percent (25%) of such production, to be delivered at Lessee's option to Lessor at the wellhead or to Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to purchase such production at the wellhead market price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similar grade and gravity; (b) for gas (including casing head gas) and all other substances covered hereby, the royalty shall be twenty-five percent (25%) of the proceeds realized by Lessee from the sale thereof, less a proportionate part of ad valorem taxes and production, severance, or other excise taxes and the costs incurred by Lessee in delivering, processing or otherwise marketing such gas or other substances, provided that Lessee shall have the continuing right to purchase such production at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) pursuant to comparable purchase contracts entered into on the same or nearest preceding date as the date on which Lessee commences its purchases hereunder; and (c) if at the end of the primary term or any time thereafter one or more wells on the leased premises or lands pooled therewith are capable of either producing oil or gas or other substances covered hereby in paying quantities or such wells are waiting on hydraulic fracture stimulation, but such well or wells are either shut-in or production therefrom is not being sold by Lessee, such well or wells shall nevertheless be deemed to be producing in paying quantities for the purpose of maintaining this lease. If for a period of 90 consecutive days such well or wells are shut-in or production therefrom is not being sold by Lessee, then Lessee shall pay shut-in royalty of one dollar per acre then covered by this lease, such payment to be made to Lessor or to Lessor's credit in the depository designated below, on or before the end of said 90-day period and thereafter on or before each anniversary of the end of said 90-day period while the well or wells are shut-in or production therefrom is not being sold by Lessee; provided that if this lease is otherwise being maintained by operations, or if production is being sold by Lessee from another well or wells on the leased premises or lands pooled therewith, no shut-in royalty shall be due until the end of the 90-day period next following cessation of such operations or production. Lessee's failure to properly pay shut-in royalty shall render Lessee liable for the amount due, but shall not operate to terminate this lease.

4. All shut-in royalty payments under this lease shall be paid or tendered to Lessor or to Lessor's credit in at lessor's address above or its successors, which shall be Lessor's depository agent for receiving payments regardless of changes in the ownership of said land. All payments or tenders may be made in currency, or by check or by draft and such payments or tenders to Lessor or to the depository by deposit in the US Mails in a stamped envelope addressed to the depository or to the Lessor at the last address known to Lessee shall constitute proper payment. If the depository should liquidate or be succeeded by another institution, or for any reason fail or refuse to accept payment hereunder, Lessor shall, at Lessee's request, deliver to Lessee a proper recordable instrument naming another institution as depository agent to receive payments.

5. Except as provided for in Paragraph 3, above, if Lessee drills a well which is incapable of producing in paying quantities (hereinafter called "dry hole") on the leased premises or lands pooled therewith, or if all production (whether or not in paying quantities) permanently ceases from any cause, including a revision of unit boundaries pursuant to the provisions of Paragraph 6 or the action of any governmental authority, then in the event this lease is not otherwise being maintained in force it shall nevertheless remain in force if Lessee commences operations for reworking an existing well or for drilling an additional well or for otherwise obtaining or restoring production on the leased premises or lands pooled therewith within 90 days after completion of operations on such dry hole or within 90 days after such cessation of all production. If at the end of the primary term, or at any time thereafter, this lease is not otherwise being maintained in force but Lessee is then engaged in drilling, reworking or any other operations reasonably calculated to obtain or restore production therefrom, this lease shall remain in force so long as any one or more of such operations are prosecuted with no cessation of more than 90 consecutive days, and if any such operations result in the production of oil or gas or other substances covered hereby, as long thereafter as there is production in paying quantities from the leased premises or lands pooled therewith. After completion of a well capable of producing in paying quantities hereunder, Lessee shall drill such additional wells on the leased premises or lands pooled therewith as a reasonably prudent operator would drill under the same or similar circumstances to (a) develop the leased premises as to formations then capable of producing in paying quantities on the leased premises or lands pooled therewith, or (b) to protect the leased premises from uncompensated drainage by any well or wells located on other lands not pooled therewith. There shall be no covenant to drill exploratory wells or any additional wells except as expressly provided herein.

6. Lessee shall have the right but not the obligation to pool all or any part of the leased premises or interest therein with any other lands or interests, as to any or all depths or zones, and as to any or all substances covered by this lease, either before or after the commencement of production, whenever Lessee deems it necessary or proper to do so in order to prudently develop or operate the leased premises, whether or not similar pooling authority exists with respect to such other lands or interests. The unit formed by such pooling for an oil well which is not a horizontal completion shall not exceed 80 acres plus a maximum acreage tolerance of 10%, and for a gas well or a horizontal completion shall not exceed 640 acres plus a maximum acreage tolerance of 10%; provided that a larger unit may be formed for an oil well or gas well or horizontal completion to conform to any well spacing or density pattern that may be prescribed or permitted by any governmental authority having jurisdiction to do so. For the purpose of the foregoing, the terms "oil well" and "gas well" shall have the meanings prescribed by applicable law or the appropriate governmental authority, or, if no definition is so prescribed, "oil well" means a well with an initial gas-oil ratio of less than 100,000 cubic feet per barrel and "gas well" means a well with an initial gas-oil ratio of 100,000 cubic feet or more per barrel, based on 24-hour production test conducted under normal producing conditions using standard lease separator facilities or equivalent testing equipment; and the term "horizontal completion" means an oil well in which the horizontal component of the gross completion interval in the reservoir exceeds the vertical component thereof. In exercising its pooling rights hereunder, Lessee shall file of record a written declaration describing the unit and stating the effective date of pooling. Production, drilling or reworking operations anywhere on a unit which includes all or any part of the leased premises shall be treated as if it were production, drilling or reworking operations on the leased premises, except that the production on which Lessor's royalty is calculated shall be that proportion of the total unit production which the net acreage covered by this lease and included in the unit bears to the total gross acreage in the unit, but only to the extent such proportion of unit production is sold by Lessee. Pooling in one or more instances shall not exhaust Lessee's pooling rights hereunder, and Lessee shall have the recurring right but not the obligation to revise any unit formed hereunder by expansion or contraction or both, either before or after commencement of production, in order to conform to the well spacing or density pattern prescribed or permitted by the governmental authority having jurisdiction, or to conform to any productive acreage determination made by such governmental authority. In making such a revision, Lessee shall file of record a written declaration describing the revised unit and stating the effective date of revision. To the extent any portion of the leased premises is included in or excluded from the unit by virtue of such revision, the proportion of unit production on which royalties are payable hereunder shall thereafter be adjusted accordingly. In the absence of production in paying quantities from a unit, or upon permanent cessation thereof, Lessee may terminate the unit by filing of record a written declaration describing the unit and stating the date of termination. Pooling hereunder shall not constitute a cross-conveyance of interests.

7. If Lessor owns less than the full mineral estate in all or any part of the leased premises, the royalties and shut-in royalties payable hereunder for any well on any part of the leased premises or lands pooled therewith shall be reduced to the proportion that Lessor's interest in such part of the leased premises bears to the full mineral estate in such part of the leased premises.

8. The interest of either Lessor or Lessee hereunder may be assigned, devised or otherwise transferred in whole or in part, by area and/or by depth or zone, and the rights and obligations of the parties hereunder shall extend to their respective heirs, devisees, executors, administrators, successors and assigns. No change in Lessor's ownership shall have the effect of reducing the rights or enlarging the obligations of Lessee hereunder, and no change in ownership shall be binding on Lessee until 60 days after Lessee has been furnished the original or certified or duly authenticated copies of the documents establishing such change of ownership to the satisfaction of Lessee or

until Lessor has satisfied the notification requirements contained in Lessee's usual form of division order. In the event of the death of any person entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to the credit of decedent or decedent's estate in the depository designated above. If at any time two or more persons are entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to such persons or to their credit in the depository, either jointly or separately in proportion to the interest which each owns. If Lessee transfers its interest hereunder in whole or in part Lessee shall be relieved of all obligations thereafter arising with respect to the transferred interest, and failure of the transferee to satisfy such obligations with respect to the transferred interest shall not affect the rights of Lessee with respect to any interest not so transferred. If Lessee transfers a full or undivided interest in all or any portion of the area covered by this lease, the obligation to pay or tender shut-in royalties hereunder shall be divided between Lessee and the transferee in proportion to the net acreage interest in this lease then held by each.

9. Lessee may, at any time and from time to time, deliver to Lessor or file of record a written release of this lease as to a full or undivided interest in all or any portion of the area covered by this lease or any depths or zones there under, and shall thereupon be relieved of all obligations thereafter arising with respect to the interest so released. If Lessee releases all or an undivided interest in less than all of the area covered hereby, Lessee's obligation to pay or tender shut-in royalties shall be proportionately reduced in accordance with the net acreage interest retained hereunder.

10. In exploring for, developing, producing and marketing oil, gas and other substances covered hereby on the leased premises or lands pooled or unitized herewith, in primary and/or enhanced recovery, Lessee shall have the right of ingress and egress along with the right to conduct such operations on the leased premises as may be reasonably necessary for such purposes, including but not limited to geophysical operations, the drilling of wells, and the construction and use of roads, canals, pipelines, tanks, water wells, disposal wells, injection wells, pits, electric and telephone lines, power stations, and other facilities deemed necessary by Lessee to discover, produce, store, treat and/or transport production. Lessee may use in such operations, free of cost, any oil, gas, water and/or other substances produced on the leased premises, except water from Lessor's wells or ponds. In exploring, developing, producing or marketing from the leased premises or lands pooled therewith, the ancillary rights granted herein shall apply (a) to the entire leased premises described in Paragraph 1 above, notwithstanding any partial release or other partial termination of this lease; and (b) to any other lands in which Lessor now or hereafter has authority to grant such rights in the vicinity of the leased premises or lands pooled therewith. When requested by Lessor in writing, Lessee shall bury its pipelines below ordinary plow depth on cultivated lands. No well shall be located less than 200 feet from any house or barn now on the leased premises or other lands used by Lessee hereunder, without Lessor's consent, and Lessee shall pay for damage caused by its operations to buildings and other improvements now on the leased premises or such other lands, and to commercial timber and growing crops thereon. Lessee shall have the right at any time to remove its fixtures, equipment and materials, including well casing, from the leased premises or such other lands during the term of this lease or within a reasonable time thereafter.

11. Lessee's obligations under this lease, whether express or implied, shall be subject to all applicable laws, rules, regulations and orders of any governmental authority having jurisdiction including restrictions on the drilling and production of wells, and the price of oil, gas, and other substances covered hereby. When drilling, reworking, production or other operations are prevented or delayed by such laws, rules, regulations or orders, or by inability to obtain necessary permits, equipment, services, material, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike or labor disputes, or by inability to obtain a satisfactory market for production or failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control, this lease shall not terminate because of such prevention or delay, and at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall not be liable for breach of any express or implied covenants of this lease when drilling, production or other operations are so prevented, delayed or interrupted.

12. In the event that Lessor, during the primary term of this lease, receives a bona fide offer which Lessor is willing to accept from any party offering to purchase from Lessor a lease covering any or all of the substances covered by this lease and covering all or a portion of the land described herein, with the lease becoming effective upon expiration of this lease, Lessor hereby agrees to notify Lessee in writing of said offer immediately, including in the notice the name and address of the offeror, the price offered and all other pertinent terms and conditions of the offer. Lessee, for a period of fifteen days after receipt of the notice, shall have the prior and preferred right and option to purchase the lease or part thereof or interest therein, covered by the offer at the price and according to the terms and conditions specified in the offer.

13. No litigation shall be initiated by Lessor with respect to any breach or default by Lessee hereunder, for a period of at least 90 days after Lessor has given Lessee written notice fully describing the breach or default, and then only if Lessee fails to remedy the breach or default, within such period. In the event the matter is litigated and there is a final judicial determination that a breach or default has occurred, this lease shall not be forfeited or canceled in whole or in part unless Lessee is given a reasonable time after said judicial determination to remedy the breach or default and Lessee fails to do so.

14. For the same consideration recited above, Lessor hereby grants, assigns and conveys unto Lessee, its successors and assigns, a perpetual subsurface well bore easement under and through the leased premises for the placement of well bores (along routes selected by Lessee) from oil or gas wells the surface locations of which are situated on other tracts of land and which are not intended to develop the leased premises or lands pooled therewith and from which Lessor shall have no right to royalty or other benefit. Such subsurface well bore easements shall run with the land and survive any termination of this lease.

15. Lessor hereby warrants and agrees to defend title conveyed to Lessee hereunder, and agrees that Lessee at Lessee's option may pay and discharge any taxes, mortgages or liens existing, levied or assessed on or against the leased premises. If Lessee exercises such option, Lessee shall be subrogated to the rights of the party to whom payment is made, and, in addition to its other rights, may reimburse itself out of any royalties or shut-in royalties otherwise payable to Lessor hereunder. In the event Lessee is made aware of any claim inconsistent with Lessor's title, Lessee may suspend the payment of royalties and shut-in royalties hereunder, without interest, until Lessee has been furnished satisfactory evidence that such claim has been resolved.

16. Notwithstanding anything contained to the contrary in this lease, Lessee shall not have any rights to use the surface of the leased premises for drilling or other operations.

17. This lease may be executed in counterparts, each of which is deemed an original and all of which only constitute one original.

DISCLAIMER OF REPRESENTATIONS: Lessor acknowledges that oil and gas lease payments, in the form of rental, bonus and royalty, are market sensitive and may vary depending on multiple factors and that this Lease is the product of good faith negotiations. Lessor understands that these lease payments and terms are final and that Lessor entered into this lease without duress or undue influence. Lessor recognizes that lease values could go up or down depending on market conditions. Lessor acknowledges that no representations or assurances were made in the negotiation of this lease that Lessor would get the highest price or different terms depending on future market conditions. Neither party to this lease will seek to alter the terms of this transaction based upon any differing terms which Lessee has or may negotiate with any other lessors/oil and gas owners.

See Exhibit "A" attached hereto and by reference made a part hereof

IN WITNESS WHEREOF, this lease is executed to be effective as of the date first written above, but upon execution shall be binding on the signatory and the signatory's heirs, devisees, executors, administrators, successors and assigns, whether or not this lease has been executed by all parties hereinabove named as Lessor.

LESSOR (WHETHER ONE OR MORE)

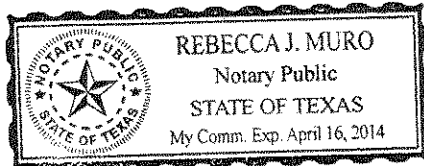
Daphne Barlow Stigliano
By: Daphne Barlow Stigliano
As: President of Boys and Girls Club of Greater Fort Worth, Inc., a Texas non-profit corporation

By: _____

ACKNOWLEDGMENT

STATE OF TEXAS
COUNTY OF TARRANT

This instrument was acknowledged before me on the 21 day of Dec, 2010, by: Daphne Barlow, As President of Boys and Girls Club of Greater Fort Worth, Inc., a Texas non-profit corporation on behalf of said corporation.



Rebecca J. Muro
Notary Public, State of TEXAS
Notary's name (printed): REBECCA J MURO
Notary's commission expires: 4.16.2010

STATE OF _____
COUNTY OF _____

This instrument was acknowledged before me on the _____ day of _____, 2010, by: _____

Notary Public, State of _____
Notary's name (printed): _____
Notary's commission expires: _____

EXHIBIT "A"

Attached to and made a part of that certain Oil, Gas and Mineral Lease Dated December 21st, 2010, Boys and Girls Club of Greater Fort Worth, Inc., as Lessor To Chesapeake Exploration, L.L.C., as Lessee

1. CONFLICT

In the event that any of the terms and provisions of this Exhibit "A" conflict with any of the terms and provisions of the printed form Lease (the "Printed Form") to which this Exhibit "A" is attached, then the terms and provisions of this Exhibit "A" shall control and take precedence. The Land referred to in this Lease may sometimes be called the "Leased Premises" in this Exhibit "A".

2. OIL AND GAS ONLY/EXCLUDED MINERALS

Notwithstanding anything contained in the Printed Form to the contrary, this Lease covers only oil and gas, including other liquid and gaseous hydrocarbons, as well as such other minerals or substances as may be produced incidental to and as a part of or mixed with oil, gas and other liquid or gaseous hydrocarbons, but this Lease does not cover gravel, uranium, fissionable materials, coal, lignite or any hard minerals or substances of any type which shall be produced from the Leased Premises separate and apart from, or independently of, oil, gas or other liquid and gaseous hydrocarbons.

3. ROYALTIES FURTHER DEFEND

Notwithstanding the provisions of Paragraph 3 of the Printed Form, in each instance where the royalty figure of twenty percent (20%) is stated, the royalty figure of twenty-five percent (25%) is substituted therefore, it being the intent of the parties that the Lessor's royalty hereunder shall be twenty-five percent (25%). Further, any reference contained in Paragraph 3 of the Printed Form to payment of royalty on gas or casing head gas based upon "market value at the well" is stricken, and Lessor shall receive, and Lessee agrees to pay to Lessor, the greater of (i) the royalty fraction of the market value thereof at the point of sale, or (ii) the royalty fraction of the proceeds realized by Lessee from the sale of oil and/or gas and casing head gas, including any other reimbursements or other forms of compensation paid by the purchaser of such oil and/or gas and casing head gas to Lessee, produced from the Leased Premises. In no event shall Lessor receive less than Lessee for such payment. Notwithstanding the provisions of paragraph 3 of the Printed Form with respect thereto, Lessor's royalty may not be charged, directly or indirectly, with any of the expenses of production, gathering on the Leased Premises, dehydration, compression, processing, transportation, treating or marketing the oil and gas produced from the Leased Premises and all of such costs shall be considered costs of production and not post-production costs. It is the intent of the parties that the provisions of this Section are to be full effective and enforceable and are not to be construed as "surplusage" under the principles set forth in *Heritage Resources v. Nations Bank*, 939 S.W.2d 118 (Tex. 1997).

4. ROYALTY PAYMENT

After initial production is established, payment to Lessor shall be made within ninety (90) days. All payments of royalties thereafter shall be paid thirty (30) days after the end of the production month for oil, and sixty (60) days after the end of the production month for gas. Payment of royalties to Lessor shall be made monthly and shall be based upon sales of leased substances to unrelated third parties at prices arrived at through arms-length negotiations provided that (i) such prices shall not be less than the actual proceeds received by Lessee from the sale of such leased substances, and (ii) such sales prices be based upon prevailing values of leased substances at the time in the area where substances are sold. Royalties to Lessor on leased substances not sold in any arms-length transaction shall be determined based upon prevailing values at the time in the area where the leased substances are sold. Lessee shall have the obligation to disclose to Lessor (upon written request by Lessor) any information pertinent to this determination. Lessee or his assigns shall pay or cause to be paid to Lessor all of Lessor's proportionate part of Lessor's royalty revenues from the sale of hydrocarbons, associated gas, and/or natural gas from lands covered by this Lease on a monthly basis; however, if Lessor's royalty revenues are less than Twenty-Five dollars (\$25.00) for a month, then they may be accumulated to Twenty-Five Dollars (\$25.00) before distribution. All royalties must be paid at least once per annum.

5. ROYALTY OVERPAYMENT LIMITATIONS

In the event Lessee markets gas produced and saved from the Leased Premises through any affiliate company, Lessor shall not bear, directly or indirectly, any production or post-production costs or expenses, including without limitation, costs or expenses of gathering, dehydration, compression, transportation, processing, treating or marketing the gas and associated liquid hydrocarbons produced from the Leased Premises that are charged to Lessee. In the event gas is marketed through a third party, Lessor shall receive and Lessee agrees to pay to Lessor the proceeds realized by Lessee from the sale of oil and/or gas and casing head gas including any other reimbursements or other forms of compensation paid by the purchaser of such oil and/or gas and casing head gas to Lessee, produced from the Leased Premises. In no event shall Lessor receive less than Lessee for such payment. Lessee shall not have the right to recoup overpayments made to Lessor for

periods greater than two (2) years, if royalty overpayment is made. Thus reimbursement can only be made through the production of any well.

6. SHUT-IN ROYALTY CLAUSE

Notwithstanding any provisions of paragraph 5 of the Printed Form to the contrary, it is expressly agreed and understood that Lessee's right to maintain this Lease in force after the expiration of the Primary Term hereof by the payment of shut-in gas royalty under Paragraph 4 of this Lease shall be limited to recurring periods after the Primary Term not to exceed twenty-four (24) months in the aggregate. Further, notwithstanding the provisions contained in Paragraph 4 of the Printed Form, the annual shut-in amount shall be Twenty-Five Dollars (\$25.00) per net mineral acre, payable within ninety (90) days after the date on which gas ceases to be sold after the end of the primary term. This Lease shall terminate if Lessee fails to timely pay or tender such sum as shut-in royalty.

7. POOLING

Notwithstanding anything contained in Paragraph 4 of the Printed Form to the contrary, in the event Lessee desires to pool, combine or unitize the Leased Premises with other lands, then unless Lessor otherwise consents in writing, all of the Leased Premises shall be included in any such unit for purposes of calculating Lessor's share of royalty.

8. INDEMNITY

Lessee agrees to indemnify and hold harmless the Lessor, and each of them, from and against any and all claims resulting from or arising out of or in connection with operations of or for Lessee hereunder and from and against all costs and expenses incurred by the parties herein designated "Lessor", and each of them, by reason of any such claim or claims.

9. ATTORNEYS' FEES

If Lessor or Lessee files a legal action to enforce any express or implied obligation of this Lease and receives a favorable judgment from a court of competent jurisdiction, then the prevailing party shall, upon entry of a final judgment, reimburse the other for all costs of such legal proceedings including attorneys' fees.

10. SPECIAL WARRANTY

Notwithstanding the warranty contained in Paragraph 9 of the Printed Form, Lessor warrants and agrees to defend title to the Leased Premises against the claims of all persons claiming by, through or under Lessor, but not otherwise.

11. SURFACE PROVISIONS/SURFACE WAIVER

Notwithstanding any other section of this Lease, Lessee shall and does hereby waive its right to use the surface of the Leased Premises for the purpose of exploring for, developing, drilling, producing, transporting, or any other purpose incident to the development or production of the oil, gas or minerals in and under the Leased Premises or adjoining properties. Lessee shall the right to enter upon the surface of the Leased Premises or place any building or structure thereon. Lessee shall develop the Leased Premises only by pooling, as provided herein, or by directional or horizontal drilling commenced from a surface location on other lands.

12. INFORMATION

Lessee agrees that upon obtaining a permit for drilling of any oil or gas well on or under the Leased Premises, Lessee will provide Lessor with a drilling plan for the Leased Premises, which shall locate on a survey or map of the Leased Premises the proposed surface and underground location of the well or well locations to be drilled and developed by Lessee.

13. TERM/EXTENSION

Notwithstanding anything contained herein to the contrary, the Primary Term of this Lease shall be three (3) years. If, at the expiration of the Primary Term of this Lease, this Lease has not been, or is not being extended pursuant to any of its provisions, then Lessee, its successors and assigns, shall have the option to extend the Primary Term of this Lease as to all (but not less than all) of the lands covered hereby for an additional two (2) years by paying or tendering to Lessor by check the sum of Three Thousand and No/100 Dollars (\$3,000.00) multiplied by the net mineral acres subject to this Lease. Said payment or tender shall be made on or before the Expiration Date of the Initial Primary Term and shall be considered to include the prepaid Delay Rental. If Lessee extends this Lease as provided herein, it shall be considered that the Primary Term is five (5) years

LESSOR:

BOYS AND GIRLS CLUB OF GREATER FORT WORTH, INC., a Texas
non-profit corporation

By: Daphne Muro Stigliano
Authorized Officer

STATE OF TEXAS

§
§
§

COUNTY OF TARRANT

This instrument was acknowledged before me, the undersigned notary public, on 21 day of DECEMBER, 2010, by DAPHNE BARLOW STIGLIANO, as authorized officer of Boys and Girls Club of Greater Fort Worth, Inc., a Texas non-profit corporation. On behalf of said corporation.

Rebecca J. Muro
Notary Public, State of Texas

